

**Inspector
General**

Department of Energy
FY 1998 Budget Request to Congress
(discretionary dollars in thousands)

	FY 1996 Current Appropriation	FY 1996 Comparable Appropriation	FY 1997 Current Appropriation	FY 1997 Comparable Appropriation	FY 1998 Request
Office Of Inspector General					
Office of Inspector General	26,860	28,461	24,750	24,750	29,499
Use of prior year balances	-1,915	-1,915	-897	-897	—
Total, Office Of Inspector General	24,945	26,546	23,853	23,853	29,499

DEPARTMENT OF ENERGY
FY 1998 CONGRESSIONAL BUDGET REQUEST
OFFICE OF INSPECTOR GENERAL

PROPOSED APPROPRIATION LANGUAGE

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, [\$23,853,000] \$29,499,000, to remain available until expended.

DEPARTMENT OF ENERGY
FY 1998 CONGRESSIONAL BUDGET REQUEST
OFFICE OF INSPECTOR GENERAL
(Tabular dollars in thousands, Narrative in whole dollars)

PROGRAM MISSION

Major statutory responsibilities of the Office of Inspector General (OIG) as stated in section 4 of the Inspector General Act of 1978, as amended, 5 U.S.C. App.3, are to detect and prevent fraud, abuse and violations of law and to promote economy, efficiency and effectiveness in the programs and operations of the Department of Energy (DOE). By Section 6006 of the Federal Acquisition Streamlining Act of 1994, the OIG is required to investigate certain reprisal complaints of contractor employees.

The goals, objectives, and performance measures of the OIG are:

GOAL: Conduct statutorily required audits which enable the public to rely on DOE's financial and management systems.

Objectives:

- Complete Chief Financial Officers Act (CFO), Government Management Reform Act (GMRA), and other audits by established due dates, to enable the Department to improve its fiscal integrity.
- Identify and report significant systems' deficiencies enabling the Department to take corrective action and demonstrate improved stewardship of public resources.

Performance Measures:

- Complete required financial statement audits by designated due dates in the law.
- Render an opinion annually on the Department's consolidated financial statements, system of internal controls, and compliance with laws and regulations.
- Coordinate with Departmental management and other interested parties to identify and prioritize audit opportunities each fiscal year.

- Complete at least 60 percent of audits planned for the year and replace those audits not started with more significant audits which identify time-sensitive issues needing review.
- Achieve 85 percent acceptance/adoption rate on recommendations made in audit reports, thereby allowing DOE managers to take corrective, cost saving, or recoupment action(s).
- Devote at least 10 percent of available resources to subsequent reviews of areas to determine if DOE's commitment to the acceptance/adoption of previous recommendations has resulted in implementation of corrective actions.

GOAL: Conduct performance reviews of Department operations which promote the efficient and effective accomplishment of the Department's programs.

Objective:

- Focus performance reviews on those issues and programs having the greatest potential for the protection or recovery of public resources.

Performance Measures:

- Complete reviews on key programs identifying areas with weaknesses or problems where resources are at risk.
- Recommend actions for the Department to diminish or alleviate the risks identified in the reviews above.
- DOE managers accept/adopt 85 percent of recommendations made in performance review reports, allowing them to take corrective, cost saving, recoupment or disciplinary action(s).

Objective:

- Conduct oversight of DOE's intelligence programs to prevent violations of public trust.

Performance Measures:

- DOE managers accept/adopt 85 percent of recommendations made in intelligence oversight review reports, allowing them to take corrective, cost saving, recoupment or disciplinary action(s).

- Provide President's Foreign Intelligence Advisory Board with required quarterly reports of OIG intelligence oversight activity to increase confidence that Departmental intelligence activities are conducted appropriately.

GOAL: Conduct investigations to enhance the Department's credibility by aggressively pursuing fraud, waste, and abuse, and reporting on those engaged in such practices.

Objective:

- Focus investigations on allegations of serious violations of Federal law, to permit successful prosecutions that maximize recovery of public resources, and the deterrence of future wrongdoing.

Performance Measure:

- Obtain acceptance of 75 percent of cases presented for prosecution, thus permitting prosecutors to pursue maximum monetary recovery from, and punishment of, wrongdoers.

Objective:

- Increase inter-agency cooperative efforts to combat fraud, waste, and abuse.

Performance Measure:

- Increase joint agency task force activity by 10 percent, affording the opportunity to protect and deter criminal activity while maximizing resource use efficiency.

GOAL: Conduct inquiries which assist the Department in fostering public confidence in the Department's integrity, commitment to fairness, and willingness to take corrective action.

Objective:

- Conduct allegation-based inquiries which enable the Department to hold employees and contractors accountable to the highest standards of honesty, objectivity and integrity.

Performance Measures:

- DOE managers accept/adopt 85 percent of recommendations made in allegation-based inspection reports, allowing them to take corrective, cost saving, recoupment or disciplinary action(s), and promoting increased confidence in the integrity of DOE management actions and processes.
- Decrease the average number of days to process mismanagement, integrity and abuse allegations by five percent, thereby assisting management through more timely resolution of complaints and increasing confidence in management actions and processes.

Objective:

- Investigate contractor employee whistleblower reprisal allegations to enhance public trust by fostering an open, non-retaliatory environment throughout the Department.

Performance Measure:

- Decrease the average number of days to process mismanagement, integrity and abuse allegations by five percent, thereby encouraging employee willingness to raise concerns regarding safety, health, fraud, waste, abuse or mismanagement which promotes worker and public safety, economy and efficiency, and stewardship of public resources.

SIGNIFICANT ACCOMPLISHMENTS AND PROGRAM SHIFTS:

1. The OIG is facing a critical budgetary situation which must be resolved in its FY 1998 budget, requiring Congressional approval of no less than the President's requested level of \$29.5 million. Between FY 1995 and FY 1997, the OIG's new budget authority has declined by 10 percent, while actual operating costs have remained relatively stable due to additional statutory mandates and escalating costs as described below. The OIG has been able to continue basic operations by downsizing faster than targeted, by eliminating use of contractor specialists critical to audit of the Department's financial statements as required by the Government Management Reform Act of 1994, by cutting back on critical support activities such as training, and by prudent use of unobligated balances to help bridge the growing gap between new budget authority and actual operating costs. It is expected that all remaining unobligated balances will be used in FY 1997, leaving no carryover funds for FY 1998 to continue the current level of effort. Thus, it is crucial that new budget authority for FY 1998 reflect true operating costs, and not be a continuation of previous budget authority levels. This requested level will enable the OIG to fulfill its statutory obligations as contained in the Inspector General Act

of 1978, as amended. It will also allow the OIG to continue to identify attainable economies and efficiencies in Departmental operations which in FY 1996 provided a positive dollar impact of approximately \$4 million per audit employee.

2. Examples of recent cost increases include the statutory requirement (PL 103-329) for 25 percent availability pay for investigators (about \$1 million per year), participation in the Department's Working Capital Fund (OIG cost of \$1.9 million per year), and audit of the Working Capital Fund (\$.2 million).
3. OIG investigative efforts have been redirected toward cases of increased complexity which result in more significant positive change for the Department. These cases include serious criminal violations, enforcement of civil fraud statutes, and significant administrative misconduct.
4. Continued implementation of the Government Management Reform Act of 1994 will require significant OIG resources. To help meet these requirements the OIG has diverted existing resources from other important issues and vulnerable Department programs.
5. The OIG will have to assume additional responsibilities to address the increased vulnerabilities as Departmental downsizing and streamlining occur. Additional responsibilities may include a potentially significant increase in the number of Hotline complaints that the OIG must handle.
6. The Office of Contractor Employee Protection was transferred (without funding) to the OIG in FY 1996. The Conference Committee Report accompanying the FY 1997 Energy and Water Development Appropriations Act indicated Congressional intent that the Office of Contractor Employee Protection within the OIG be abolished and that the OIG integrate whistleblower reprisal investigations with its other functions. Accordingly, on October 1, 1996, the Office of Contractor Employee Protection was abolished and its functions and staff were fully integrated into the Office of Inspector General.
7. Resource constraints require higher thresholds for investigative case openings and inspection of administrative allegations, resulting in less coverage and less deterrent effect.

Office of Inspector General
Program Funding Profile
(Dollars in Thousands)

<u>Program</u>	<u>FY 1996 Current Appropriation</u>	<u>FY 1997 Original Appropriation</u>	<u>FY 1997 Adjustments</u>	<u>FY 1997 Current Appropriation</u>	<u>FY 1998 Request</u>
Office of Inspector General	\$ 26,860	\$ 24,750	-	\$ 24,750	\$ 29,499
Subtotal	\$ 26,860	\$ 24,750	-	\$ 24,750	\$ 29,499
Adjustment *	(1,915)	(897)	-	(897)	
TOTAL	\$ 24,945	\$ 23,853	-	\$ 23,853	\$ 29,499

* Adjustment reflects use of estimated prior year unobligated balances and is consistent with Congressional base table. In FY 1996 the appropriation of \$24.9 million plus use of an unobligated balance of \$3.1 million resulted in total program costs of \$28.0 million. In FY 1997 the appropriation of \$23.9 million plus an unobligated balance of \$4.7 million is expected to result in total program costs of \$28.6 million. It is estimated that all unobligated balances will be exhausted in FY 1997.

Public Law Authorizations:

Pub. Law 95-452, The Inspector General Act of 1978

Office of Inspector General
Program Funding by Site
(Dollars in Thousands)

Field Office/Site	FY 1996 Current Appropriation	FY 1997 Original Appropriation	FY 1997 Adjustments	Current Appropriation	FY 1998 Request
Washington, D.C.:					
Headquarters	\$ 4,711	\$ 4,412		\$ 4,412	\$ 4,972
Field Services Activities	4,215	3,813		3,813	4,177
Germantown (a)	3,388	3,365		3,365	4,032
Chicago	496	449		449	597
Cincinnati	661	673		673	796
New Orleans	496	449		449	597
Oak Ridge	2,810	2,542		2,542	3,395
Princeton	496	449		449	597
Savannah River	1,405	1,271		1,271	1,492
Pittsburgh	909	897		897	895
Albuquerque	2,479	2,468		2,468	3,077
Denver	661	673		673	895
Idaho Falls	661	673		673	796
Las Vegas	496	449		449	597
Livermore	1,322	1,047		1,047	1,193
Los Alamos	496	299		299	398
Portland	165	-		-	-
Richland	992	823		823	994
SUBTOTAL	\$ 26,860	\$ 24,750		\$ 24,750	\$ 29,499
ADJUSTMENT (b)	(1,915)	(897)		(897)	-
TOTAL	\$ 24,945	\$ 23,853		\$ 23,853	\$ 29,499

(a) Includes Capital Region field sites.

(b) Adjustment reflects use of estimated prior year unobligated balances and is consistent with Congressional base table. In FY 1996 the appropriation of \$24.9 million plus use of an unobligated balance of \$3.1 million resulted in total program costs of \$28.0 million. In FY 1997 the appropriation of \$23.9 million plus an unobligated balance of \$4.7 million is expected to result in total program costs of \$28.6 million. It is estimated that all unobligated balances will be exhausted in FY 1997.

Office of Inspector General Operating Expenses

I. Mission Supporting Goals/Ongoing Responsibilities:

This activity conducts audits, inspections, investigations, and other reviews to fulfill the statutory duties and responsibilities of the OIG. Audits are conducted to provide independent evaluation of the Department's operating and administrative programs and include an assessment of the Department's financial and management control system and procedures. Inspections are conducted to review administrative allegations received by the OIG, review management systems for economy and efficiency, and process referrals of allegations to Department management for appropriate action. Investigations are conducted to determine prohibited or improper activities against DOE by its contractors, vendors, grantees, and employees. Inquiries are conducted to resolve whistleblower complaints of reprisal by contractor employees.

II. Funding Table: (Dollars in Thousands, see following pages for detailed breakdown by site)

	FY 1996 Current <u>Appropriation</u>	FY 1997 Original <u>Appropriation</u>	FY 1997 <u>Adjustments</u>	FY 1997 Current <u>Appropriation</u>	FY 1998 <u>Request</u>
Total Inspector General					
Salaries and Benefits	\$ 26,690	\$ 24,750	\$ -	\$ 24,750	\$ 24,231
Travel	-	-	-	-	1,350
Support Services	-	-	-	-	659
Other Related Expenses	170	-	-	-	3,259
Total	<u>\$ 26,860</u>	<u>\$ 24,750</u>	<u>\$ -</u>	<u>\$ 24,750</u>	<u>\$ 29,499</u>
Full-Time Equivalents	325	331	-	331	290

Virtually all of the FY 1996 and FY 1997 appropriations are applied to salaries and benefits in this table, since it is estimated that these costs alone would have required approximately \$26,690,000 in FY 1996 at the authorized staffing level of 354 FTEs, and would require \$26,018,000 in FY 1997 at the authorized staffing level of 331 FTEs.

III. Performance Summary: Office of Inspector General

FY 1996 Measurable Performance Activities

Accomplishments for FY 1996 include:

- Issued 121 audit reports with a potential dollar impact of \$696.6 million.
- Met the requirements of the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act (GMRA) of 1994 which included issuing the national audit report for the Statement of Financial Position as of September 30, 1995. The statement reported on the Department of Energy's assets of over \$90 billion and liabilities of about \$220 billion. The Office of Inspector General was unable to form an opinion on the Fiscal Year 1995 Statement of Financial Position, and therefore disclaimed an opinion, because the Department did not ensure that all unfunded liabilities (recorded at \$200 billion) were properly identified. The Department had not estimated the cost of environmental remediation at certain facilities. Furthermore, the Department did not have adequate controls over its property and equipment to ensure proper accountability for these assets, nor could it provide adequate assurance that the balances attributable to the Department's portion of the Bonneville Power Administration's assets and liabilities were accurate. Also, the Department's financial management system was unable to produce adjusted consolidated financial statements. The report on the Department's compliance with laws and regulations contained no findings.
- Began the next phase of the CFO and GMRA requirements which, in addition to the Consolidated Statement of Financial Position, includes the Department's Statement of Operations and Changes in Net Position taken as a whole.
- Concluded that the Department's renegotiation of its contracts with the University of California for the management and operation of three national laboratories, Los Alamos, Lawrence Livermore, and Lawrence Berkeley, would provide the Department an opportunity to recover at least \$620 million in excess assets from the pension plans it has funded for University of California employees at the Department's laboratories and to improve the Department's management of those pension plans. The audit concluded that the overfunded pension position of the University of California Plan is so extreme that the Department needs to consider the unusual option of seeking special legislation to amend the laws governing pension plans in order to recover the excess funds. (\$316 million of this \$620 million is included in the \$696.6 million referenced above).
- Determined that the Department is not adequately monitoring and managing contractor overtime. A review of Management and Operating (M&O) contracts in effect at the end of FY 1994, and which incurred \$251 million in overtime costs during FY 1994, disclosed that contract terms were vague and efforts to manage overtime were limited.
- Determined that the Department is spending more on construction projects than is justified. Seven ongoing construction projects totaling over \$40 million at one Operations Office are either not needed or are larger than needed.
- Concluded that the Department's FY 1996 proposed changes to its Acquisition Regulation may increase M&O contractor available fees by as much as \$218 million per year without demonstrating a commensurate increase in contractor risk or other quantitative or qualitative benefits that render the proposal in the best interest of the government. The revisions were proposed without performing a cost-benefit analysis. Consequently, the Department cannot ensure that the revisions to the Acquisition Regulation are cost effective and that they will achieve the Department's long-term reform goals.
- Determined that recoupment decisions made by the Department limited its ability to recover the taxpayers' investment in six clean coal technology projects. These decisions exempted foreign sales, excluded some domestic sales on certain projects and lowered the repayment rate on

some sales. As a result, the Department may not recoup an estimated \$133.7 million of the taxpayers' \$151 million investment in six projects and may limit its opportunity to recover future investments in other energy technology programs.

- Conducted investigations which resulted in 195 investigations closed, 78 investigations referred for prosecution with 54 accepted, 27 indictments, 26 convictions, 60 investigations referred to management for recommended positive action, 229 administrative disciplinary actions taken, and \$40,307,808 in fines, settlements, and recoveries.
- Conducted more complex investigations of alleged waste, fraud and abuse with focus on significant violations of Federal criminal and civil statutes, resulting in an increase of 20 percent in criminal and civil matters presented before the United States Attorney.
- Identified, through a coordinated effort with the United States Attorney's office, OIG investigative thresholds (e.g., allegations involving fraud or theft of less than \$2,000 in value) for blanket Department of Justice declinations on non-prosecutable cases, resulting in increasing the percentage of cases accepted for prosecution to 69 percent of those presented.
- Managed 213 referrals of Hotline allegations to DOE management or other agencies for appropriate action and requested a response on 111 of these allegations.
- Increased the number of joint agency investigative task forces to approximately 25 percent of the caseload (the caseload averages 290 open cases), resulting in the added benefit of using non-OIG investigative resources to augment current staffing levels.
- Assisted in a task force investigation concerning the construction of a 375 mile natural gas pipeline from Canada to Long Island, New York, crossing over 500 rivers, streams, and wetlands. The investigation established that the contractor knowingly violated or caused to be violated the Clean Water Act. Four company officials pled guilty to violations of the Clean Water Act and the company agreed to pay \$22 million in fines and penalties.
- Determined that a company involved with the Department in the Clean Coal Technology Program diverted \$9.7 million from a cooperative agreement with the Department to design, build, and operate a clean burning coal plant. This caused the Department to incur a disproportionately greater amount of the total costs of the coal plant. The company has entered into an agreement to repay the \$9.7 million.
- Issued 22 inspection reports, with management implementing 93 recommendations to improve operations of the Department. Some of the more significant efforts include the following:
 - Disclosed that a root cause analysis was not conducted in an accident investigation, which may not have been an isolated incident. The Department has taken numerous actions to correct deficiencies in the management of accident investigations.
 - Found that deliberate recordkeeping inaccuracies reported by a contractor resulted in non-compliance with the Resource Conservation and Recovery Act.
 - Found that the Department did not fully implement its procedures to identify human subject research projects.
 - Identified portions of a contractor's personal property management system that did not meet the requirements of the Department's property management regulations.
- Reviewed foreign travel by the Secretary of Energy.

- Managed the OIG evaluation of 13 qui tam actions, pursuant to the provisions of the False Claims Act, to provide input to the Department of Justice for determining appropriate action. In addition, assisted the Department of Justice in completing negotiations with the subjects of two qui tam lawsuits, resulting in over \$400,000 in recoveries.
- Reported quarterly to the Intelligence Oversight Board, as required by Executive Order 12863, “President’s Foreign Intelligence Advisory Board,” and continued oversight of the Department’s intelligence activities in accordance with Executive Order 12333, “United States Intelligence Activities.”
- Provided an independent process to review, investigate, mediate, and/or adjudicate 122 complaints of reprisal from contractor whistleblowers. In addition, integrated and fully assimilated the contractor employee protection functions into the OIG, consistent with the Federal Acquisition Streamlining Act of 1994, and the FY 1997 Energy and Water Development Appropriations Act Conference Report.
- Managed the OIG review of 14 existing and proposed laws or regulations relating to the Department’s programs and operations.
- Closed 82 Freedom of Information Act requests (in FY 1996 new cases opened at almost double the rate of FY 1995).

FY 1997 Measurable Performance Activities

- Meet the requirements of the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act (GMRA) of 1994 for audited departmental financial statements. Include audit results in performance audits of the Department’s primary functions and facilities.
- Audit the Department’s efforts in work force restructuring and economic development, environmental programs, the implementation of performance-based contracting, and realignment initiatives (including streamlining organizational structure and flow) for economy and efficiency.
- Increase the percentage of complex criminal and civil matters presented before the United States Attorney.
- Increase, through a coordinated effort with the United States Attorney’s office, OIG investigative thresholds and conduct criminal investigations with clear indications of prosecutorial merit (higher thresholds).
- Restructure response to Hotline complaints to increase use of DOE management referrals and investigate only those cases that meet the increased established threshold for potential prosecution.
- Increase and explore opportunities for additional joint agency investigative task force operations.
- Continue to facilitate cooperative efforts with law enforcement personnel in other agencies, Department management, and other OIG customers for the purpose of developing additional leads, information, and knowledge.
- Improve the quality, effectiveness, efficiency, and timeliness of completing investigations through ongoing internal review team inspections.
- Conduct administrative allegation inspections of allegations of waste or mismanagement that have high visibility with DOE senior managers, members of Congress and the public; continue to review management systems issues that are identified during administrative allegation reviews; and conduct inquiries to resolve allegations of whistleblower reprisals against contractor employees. An increase in whistleblower reprisal allegation cases is expected due to continued contractor downsizing.

- Manage the referral of Hotline allegations to DOE management or other agencies for appropriate action. Due to the decrease in OIG FTEs, the number of referrals to management is expected to increase, while the OIG's capability to review management corrective actions would be reduced.
- Manage the OIG review of existing and proposed legislation and regulations relating to the Department's programs and operations in compliance with the Inspector General Act.
- Report quarterly to the Intelligence Oversight Board, and perform oversight of the Department's intelligence activities that are conducted in accordance with Executive Order 12333, "United States Intelligence Activities," as required by Executive Order 12863, "President's Foreign Intelligence Advisory Board."
- Manage the OIG evaluation of and response to the Department of Justice on qui-tam actions filed pursuant to the provisions of the False Claims Act.
- Provide technical advice and assistance to Headquarters and field offices that are involved with the implementation or modification of the Department's whistleblower protection program.
- Respond to Freedom of Information Act requests to the extent resources permit.

FY 1998 Measurable Performance Activities

- Meet the requirements of the Chief Financial Officers (CFO) Act of 1990 and the Government Management Reform Act (GMRA) of 1994 for audited departmental financial statements. Include audit results in performance audits of the Department's primary functions and facilities.
- Audit the Department's efforts in work force restructuring and economic development, environmental programs, the implementation of performance-based contracting, and realignment initiatives (including streamlining organizational structure and flow) for economy and efficiency.
- Increase the percentage of complex criminal and civil matters presented before the United States Attorney.
- Increase, through a coordinated effort with the United States Attorney's office, OIG investigative thresholds and conduct criminal investigations with clear indications of prosecutorial merit (higher thresholds).
- Increase and explore opportunities for additional joint agency investigative task force operations.
- Continue to facilitate cooperative efforts with law enforcement personnel in other agencies, Department management, and other OIG customers for the purpose of developing additional leads, information, and knowledge.
- Improve the quality, effectiveness, efficiency, and timeliness of completing investigations through ongoing internal review team inspections.
- Establish a proactive task force effort to investigate excess property throughout DOE to determine what excess property, if any, has in fact been surplus as opposed to being unaccounted for or stolen.
- Establish a proactive task force effort to investigate DOE grant programs for the purpose of detecting potential fraud against the Department.
- Enhance and increase the efficiency of the investigative process by expanding the use of on-line public search capabilities and the use of advanced investigative technologies.

- Conduct administrative allegation inspections of allegations of waste or mismanagement that have high visibility with DOE senior managers, members of Congress and the public; continue to review management systems issues that are identified during administrative allegation reviews; and conduct inquiries to resolve allegations of whistleblower reprisals against contractor employees. An increase in whistleblower reprisal allegation cases is expected due to continued contractor downsizing.
- Manage the referral of Hotline allegations to DOE management or other agencies for appropriate action. Due to the decrease in OIG FTEs, the number of referrals to management is expected to increase, while the OIG's capability to review management corrective actions would be reduced.
- Manage the OIG review of existing and proposed legislation and regulations relating to the Department's programs and operations in compliance with the Inspector General Act.
- Report quarterly to the Intelligence Oversight Board, and perform oversight of the Department's intelligence activities that are conducted in accordance with Executive Order 12333, "United States Intelligence Activities," as required by Executive Order 12863, "President's Foreign Intelligence Advisory Board."
- Manage the OIG evaluation of and response to the Department of Justice on qui-tam actions filed, pursuant to the provisions of the False Claims Act.
- Provide technical advice and assistance to Headquarters and field offices that are involved with the implementation or modification of the Department's whistleblower protection program.
- Respond to Freedom of Information Act requests to the extent resources permit.

IV. Explanation of Funding Changes from FY 1997 to FY 1998:

The FY 1998 increase of \$5.6 million is needed to allow the OIG to continue at its FY 1997 level of effort. This increase is attributable to the fact that in FY 1997 the OIG's incurred obligations are expected to increase to approximately \$28.6 million for the year, while appropriations have steadily decreased to \$26.5 million for FY 1995, \$24.9 million for FY 1996, and \$23.9 million for FY 1997.

SUPPORT SERVICES / OTHER RELATED EXPENSES
OFFICE OF INSPECTOR GENERAL
(\$000)

	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1998/ FY 1997 Change</u>
Support Services				
Consulting service (non-governmental contracts)	\$ 1,750	\$ -	\$ 659	\$ 659
Other services				
ADP Support	480	700	592	(108)
Library Services	7	7	7	-
Total Support Services	\$ 2,237	\$ 707	\$ 1,258	\$ 551
Other Related Expenses				
Rental Payments to GSA	-	1,302	1,172	(130)
Communications, utilities, misc.	25	474	487	13
Printing and reproduction	-	101	104	3
Other services				
Training	150	80	130	50
Other	808	160	767	607
Total Other Related Expenses	\$ 983	\$ 2,117	\$ 2,660	\$ 543
Total Obligational Authority	\$ 26,860	\$ 24,750	\$ 29,499	\$ 4,749
Use of Prior-Year Balances*	(1,915)	(897)	-	
Total Budget Authority	\$ 24,945	\$ 23,853	\$ 29,499	\$ 5,646

* Use of estimated prior year unobligated balances is consistent with Congressional base table. In FY 1996 the appropriation of \$24.9 million plus use of an unobligated balance of \$3.1 million resulted in total program costs of \$28.0 million. In FY 1997 the appropriation of \$23.9 million plus an unobligated balance of \$4.7 million is expected to result in total program costs of \$28.6 million. It is estimated that all unobligated balances will be exhausted in FY 1997.